

STATEMENT OF REVENUE AND EXPENSES

	Current Year to Date		Prior Year To Date
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	225,930	297,142
2. Net premium income (including non-health premium income).....	XXX	61,852,547	71,595,161
3. Change in unearned premium reserves and reserve for rate credits	XXX		0
4. Fee-for-service (net of \$ medical expenses)	XXX		0
5. Risk revenue	XXX		0
6. Aggregate write-ins for other health care related revenues	XXX	0	5,136
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	61,852,547	71,600,297
Hospital and Medical:			
9. Hospital/medical benefits		40,781,069	15,555,633
10. Other professional services		3,348,190	15,219,816
11. Outside referrals	2,740,855	2,740,855	0
12. Emergency room and out-of-area	123,161	2,352,802	21,958,689
13. Prescription drugs		6,598,333	7,515,548
14. Aggregate write-ins for other hospital and medical.....	0	(8,475)	197
15. Incentive pool and withhold adjustments		(183,172)	145,683
16. Subtotal (Lines 9 to 15)	2,864,016	55,629,602	60,395,567
Less:			
17. Net reinsurance recoveries		450,503	70,982
18. Total hospital and medical (Lines 16 minus 17)	2,864,016	55,179,099	60,324,585
19. Non-health claims			
20. Claims adjustment expenses		1,807,377	1,737,253
21. General administrative expenses.....		4,657,112	6,365,308
22. Increase in reserves for life and accident and health contracts including \$ increase in reserves for life only).....			0
23. Total underwriting deductions (Lines 18 through 22)	2,864,016	61,643,588	68,427,147
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	208,959	3,173,150
25. Net investment income earned		793,783	823,253
26. Net realized capital gains or (losses)		(1,080)	(1,458)
27. Net investment gains or (losses) (Lines 25 plus 26)	0	792,703	821,795
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]			0
29. Aggregate write-ins for other income or expenses	0	0	0
30. Net income or (loss) before federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	1,001,662	3,994,945
31. Federal and foreign income taxes incurred	XXX	127,155	973,126
32. Net income (loss) (Lines 30 minus 31)	XXX	874,507	3,021,819
DETAILS OF WRITE-INS			
0601. OTHER INCOME.....	XXX		5,136
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	XXX	0	5,136
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above)	XXX	0	0
1401. OTHER MEDICAL.....		(8,475)	197
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	0	(8,475)	197
2901. Other Income.....			0
2902. Fixed Asset Gain.....			0
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above)	0	0	0

CAPITAL AND SURPLUS ACCOUNT

	1 Current Year to Date	2 Prior Year
CAPITAL AND SURPLUS ACCOUNT:		
33. Capital and surplus prior reporting period	21,712,363	19,704,641
GAINS AND LOSSES TO CAPITAL & SURPLUS:		
34. Net income or (loss) from Line 32	874,507	4,055,459
35. Change in valuation basis of aggregate policy and claim reserves		0
36. Net unrealized capital gains and losses		0
37. Change in net unrealized foreign exchange capital gain or (loss)		0
38. Change in net deferred income tax	(229,297)	141,489
39. Change in nonadmitted assets	155,381	(936,371)
40. Change in unauthorized reinsurance	0	0
41. Change in treasury stock		0
42. Change in surplus notes	(4,000,000)	(3,000,000)
43. Cumulative effect of changes in accounting principles		0
44. Capital Changes:		
44.1 Paid in		0
44.2 Transferred from surplus (Stock Dividend)		0
44.3 Transferred to surplus		0
45. Surplus adjustments:		
45.1 Paid in		0
45.2 Transferred to capital (Stock Dividend)	0	0
45.3 Transferred from capital		0
46. Dividends to stockholders		0
47. Aggregate write-ins for gains or (losses) in surplus	(2,323)	1,747,145
48. Net change in capital & surplus (Lines 34 to 47)	(3,201,732)	2,007,722
49. Capital and surplus end of reporting period (Line 33 plus 48)	18,510,631	21,712,363
DETAILS OF WRITE-INS		
4701. KAISER STATE TAX EFFECT.....	26,291	0
4702. CORRECTION OF PRIOR PERIOD.....		0
4703. CHANGE IN AVR - SURPLUS.....	(28,614)	3,165
4798. Summary of remaining write-ins for Line 47 from overflow page	0	1,743,980
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above)	(2,323)	1,747,145